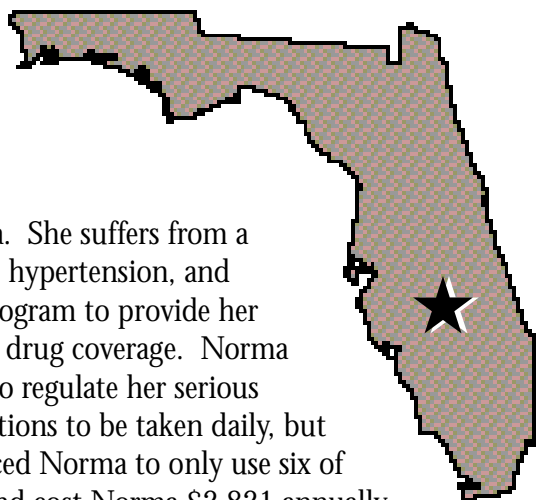




Senior in Crisis

July 22, 2002

Norma H Sebring, Florida



Norma is an 85 year-old widow from Sebring, Florida. She suffers from a variety of medical conditions, including heart disease, hypertension, and respiratory ailments. She relies upon the Medicare program to provide her with access to health care, but she has no prescription drug coverage. Norma depends upon several prescription drug medications to regulate her serious health concerns. Her doctor prescribed seven medications to be taken daily, but the excessive cost of filling these prescriptions has forced Norma to only use six of them. These six medications total \$235 per month and cost Norma \$2,821 annually. Filling the prescription for her seventh medication - Prilosec - would cost Norma an additional \$124 every month. Norma's annual income consists of a \$20,000 pension from her late husband's job as a civil servant. She receives no Social Security benefits, and simply does not have enough money to cover all of her prescription drug needs.

HOW CONGRESS CAN HELP NORMA:

Under the Graham-Miller-Kennedy plan, Norma will pay 40% of her total prescription drug costs. She will receive benefits every month of the year.

Under the Senate Tripartisan plan, Norma will pay 71% of her total prescription drug costs. She will receive NO government assistance after October, but will continue to pay the monthly premiums.

Under the House Republican prescription drug plan, Norma will pay 85% of her total prescription drug costs. She will receive NO government assistance after June, but will continue to pay the monthly premiums.

A detailed breakdown of Norma's prescription drug costs, and how she would fare under the competing prescription drug plans is attached.

Norma H.

Location: Sebring, Florida **Income:** \$20,000 (pension)

Income as % Poverty: \$20,000/\$8,860 = 226% of Poverty

Prescription Drug Coverage/Medicare: No additional coverage

Assets: Patient ineligible for additional assistance because of poverty level.

Monthly

Prescriptions 2002 Price 2005 Price

Coumadin	\$12.23	\$15.32
Toprol-XL	\$54.13	\$67.81
Micro-K	\$15.10	\$18.92
Lanoxin	\$7.45	\$9.33
Serevent	\$139.36	\$174.58
Lasix	\$6.80	\$8.52

Prescribed by Doctor but She Currently Can't Afford

Prilosec * \$124.00 \$77.67

Yearly Cost: \$4,308.84 \$4,465.77

Monthly Cost: \$359.07 \$372.15

Notes:

1) Prices per patient for drug costs

2) Projected 2005 prices consistent with current trends per National Institute of Health Care Management.

3) 2002 Federal Poverty Level per HHS.

4) " * "Prilosec anticipated to be generic by 2005. Assume she purchases generic version in 2005, the price of which is assumed to be

How much does she pay under the Graham-Miller-Kennedy Prescription Drug Plan, the Senate Republican (Tripartisan) Prescription Drug Plan, and the House Republican Prescription Drug Plan?

Graham-Miller-Kennedy Medicare Outpatient Prescription Drug Act of 2002 (S.2625)

2005 Annual Drug Cost: \$4,466

Poverty Level: 226% of Poverty

Drug	2005 Price	Cost Under G-M-K Plan
Coumadin	\$15.32	\$10.32
Toprol-XL	\$67.81	\$40.00
Micro-K	\$18.92	\$13.92
Lanoxin	\$9.33	\$4.33
Serevent	\$174.58	\$40.00
Lasix	\$8.52	\$3.52
Prilosec *	\$77.67	\$10.00
TOTAL COPAY COST/MONTH		\$122.09

Notes: 1) For preferred drugs, copayment must be at least \$5 less than brand drug price.

2) See " * " above.

Annual Premium	Deductible	Copayment Expense
\$300	\$0	\$122.09 per month x 12 months = \$1,465.06

Norma pays: \$1,765.06 or 40% of her drug costs

Norma receives benefits every month of the year.

Senate Republican Plan (Tripartisan Plan) (S.2729)**2005 Annual Drug Cost:** \$4,466**Poverty Level:** 226% of Poverty

Annual Premium	Deductible	Coinsurance Expense
\$288.00	\$250.00	Pays 50% from \$250-\$3,450 \$1,600.00 GAP in Coverage Pays 100% from \$3,450-\$4,466 \$1,016 Coinsurance Total Cost: \$2,616.00

Norma pays: \$3,154.00 or 71% of her drug costs**Also, Norma receives NO government assistance after October
because of the BENEFIT HOLE.****House Republican Plan (HR.4954)****2005 Annual Drug Cost:** \$4,466**Poverty Level:** 226% of Poverty

Annual Premium	Deductible	Coinsurance Expense
\$408.00	\$250.00	Pays 20% from \$250-\$1,000 \$150.00 Pays 50% from \$1,000-\$2,000 \$500 GAP in Coverage Pays 100% from \$2,000-\$4,466 \$2,466 Coinsurance Total Cost: \$3,116.00

Norma pays: \$3,774.00 or 85% of her drug costs**Also, Norma receives NO government assistance after June
because of the BENEFIT HOLE.**